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C O N F I D E N T I A L SECTION 01 OF 02 STOCKHOLM 000259

SIPDIS

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TAGS: PREL PGOV EU SW

SUBJECT: SWEDEN ON APRIL 27-28 GAERC

REF: A. APRIL 17 GIAQUE E-MAIL

¶B. STOCKHOLM 231

Classified By: Pol Counselor Marc Koehler for reasons 1.4 (B) & (D).

- 11. (C) Summary: We discussed Ref A GAERC points with Swedish MFA Political Director Bjorn Lyrvall, the EU Correspondent's office, and MFA country desks April 22-24. They told us the Czechs keep changing the GAERC agenda and Sweden wants to add a point on the possibility of the EU publishing human rights reports on each country in the world. Sweden anticipates discussion on why the U.S. is calling for additional sanctions on Iran now -- before it is clear how Tehran will respond to overtures. A second tranche of IMF money would stabilize Ukraine for the time being, but political problems may be endemic in the mid-term. End Summary.
- 12. (C) CDA met with MFA Political Director Bjorn Lyrvall April 24 to discuss ref A points on Iran sanctions, Eastern Partnership and Ukraine, as well as other issues (to be reported septel). Emboffs followed up Ref B discussions with Sweden's EU Correspondent and MFA country desk officials April 22-23. Highlights follow:

GAERC Agenda

13. (U) The agenda for the April 27-28 GAERC keeps growing, according to the EU Correspondent's office. The most recent version lists:

- -- EU Neighborhood Policy Progress Reports
- -- Burma
- -- U.S.-EU Summit Read-out
- -- Middle East Peace Process
- -- Eastern Partnership
- -- Moldova/Ukraine (lunch discussion)
- -- Iran
- Sri Lanka: statement on the human rights situation
- -- Somalia
- -- Mediterranean Immigration Problems
- -- Durban Conference follow-up
- -- "Openness in the EU on Human Rights Work" (tentative)

Iran

14. (C) No formal discussion will take place, the EU Correspondent's office told us, but Council conclusions prepared by working groups beforehand will be issued that state Iran should take advantage of the opportunities now being offered by the new U.S. administration. On the possibility of autonomous EU sanctions, POL Director Lyrvall said there is no consensus on new designations and the best that could be hoped for is to strengthen implementation of existing UN Security Council resolutions; enforcement has been allowed to weaken while the U.S. Iran policy review was underway. Lyrvall said he also expects discussion on why the Americans would be calling for sanctions now, before enough time has been given to the Iranians to respond to recent overtures. Moreover, there is not even consensus among the

EU3 on the need for additional designations, Lyrvall claimed. Perhaps in a few months, possibly September, if Tehran has not responded, it might be time for Washington to "use the considerable political capital" it has built up to bring Russia and China along on a new UNSC resolution. CDA replied that existing resolutions call for member states to exercise vigilance over suspect entities and to take necessary measures to prevent the supply, sale or transfer of proliferation-related cargoes, all of which strongly suggests additional designations should be made now.

Ukraine

15. (C) Lyrvall stated that Sweden's ambassador in Kiev thinks a second tranche of IMF loans will keep the economy afloat for some months, providing some "life support" to an economy in crisis. President Yushchenko and Prime Minister Tymoshenko seem to be working together on the IMF, if not on anything else, he said. Yushchenko is losing power and Sweden assesses that Tymoshenko would win the second-round runoff of the presidential election likely to be held this autumn, but she will need to engineer the appointment of a loyal prime minister to maintain her ability to "run the apparatus." In the long-term, Sweden sees the same battles recurring as future President Tymoshenko contests with the new premier for influence. This would limit the possibility of closer Ukraine-EU ties envisioned by the Eastern Partnership, Lyrvall stated.

Middle East Peace Process

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16. (C) There is no appetite in the EU to upgrade the Israel-EU partnership until the Israeli government shows its true intentions towards the Palestine Authority, the EU Correspondent told us. Discussion will focus on Gaza and humanitarian issues. Sweden urges the border crossings be opened immediately. The international community cannot ignore Hamas, Lyrvall noted. "Fatah-only elections would mean the end of the Palestinian state." On the possibility of an association agreement with Syria, Lyrvall said Sweden was waiting to see the results of the elections in Lebanon.

Openness in the EU on Human Rights Work

¶7. (U) Swedish FM Bildt proposed this agenda item, though it might be struck if time runs out. Sweden publishes annual human rights reports for all countries and Bildt would like the EU to do the same.

Burma

18. (C) A formal decision and Council Conclusions will be made; there might be a short discussion if time allows, according to the EU Correspondent. The EU will not change its current policy, according to the Southeast Asia desk, but probably will express its willingness to increase aid and show that it is "ready to commit." Sweden does not want sanctions to harm humanitarian assistance, and wants to build on the "positive" developments with respect to greater access to the country. U.S.-EU cooperation on this issue should be expanded.

Mediterranean Immigration

19. (U) Moldova and Italy called for this item to be on the agenda due to a recent incident where a group of immigrants, including a pregnant woman, was left floating in the Mediterranean as countries argued over which state should

provide refuge.

 ${\tt Summits}$

110. (C) On a side note, the EU Correspondent said the Czechs keep changing their mind whether or not to hold "certain summits." Thus, while the U.S.-EU Summit is currently on the official Czech calendar, we were told, it is very possible that the Czechs will push it off to the Swedes. SILVERMAN